

FDIS

DAILY REPORT

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LEADERS REACT TO U.S. SENATE CONTRA AID VOTE

Panamanian Foreign Minister's Remarks

PA15023Q Panama City ACAN in-Spanish 0140 GMT 15 Aug 86

[Text] Panama City, 14 Aug (ACAN-EFE) -- The U.S. Senate's approval of \$100 million in aid for the contras "is a decision which does not help the Contadora peace process," Panamanian Foreign Minister Jorge Abadia Arias stated today.

Abadia added that, nevertheless, "the peace process is not helped by closing the news media in Nicaragua and the expulsion of clergymen from that country."

"The aid to any irregular force in the area, regardless of its ideology, hinders the Contadora Group's peace efforts and makes our task even more difficult," Abadia told ACAN-EFE.

The Panamanian representative to the Contadora Group, which includes Venezuela, Mexico, and Colombia, did not reject the possibility that the peace organization might reply to a Nicaraguan appeal to study the matter, if the country requests that.

New Colombian President Virgilio Barco stated his interest, during his inauguration, "in reactivating the Contadora Group's efforts." "There is a possibility that a new meeting" might be discussed during Joaquín Balaguer's inauguration this weekend in the Dominican Republic," Abadia said.

Nicaraguan President Daniel Ortega said today in Managua, shortly before departing for Santo Domingo, that he would discuss the current situation in this country with the Contadora Group, as well as "the danger of an aggression."

According to Ortega, the United States has violated international law by directly intervening in the internal affairs of a sovereign state and helping rebel forces oppose a legally established government.

"We respect the decisions of all the presidents who are our friends, without exception, because we want them to respect our own president's decision," Abadia said.

Uruguayan Senators' Condemnation

PY141938 Montevideo Radio El Espectador Network in Spanish 1600 GMT 14 Aug 86

[Text] All Uruguayan political sectors today criticized the U.S. Senate decision to approve the \$100-million aid package for the Nicaraguan contras, because this step could delay the democratization of Latin American.

El Espectador this morning talked with Senators Eduardo Paz Aguirre, of the Colorado Party, Guillermo García Costa, of the Blanco Party, and Enrique Martínez Moreno, of the Broad Front.

Senator Paz Aguirre said the U.S. Senate decision shows disregard for Latin American feelings and violates the law.

[Begin Paz Aguirre recording] I want to reiterate what I have already said. The U.S. Government and Congress have made a serious mistake. The House of Representatives had already approved the \$100 million in aid for the contras, and now the Senate approved it, narrowly, in a 53 to 47 vote. This allows the U.S. Government to provide the aid to the Nicaraguan contras.

I believe this is a serious mistake, because it clearly violates international law. No country is entitled to meddle in the domestic affairs of another country in such an improper manner. Even further, no country is entitled to openly provide financial support, as the United States is doing now, to military troops that will operate from third countries, like Honduras, which are not entitled to serve as a beachhead or as a spring board for an armed offensive against a neighboring country.

This U.S. decision to finance and support revolutionary movements against an established government, no matter the origin of that government, has further complicated and aggravated the problems and conflicts that have long affected Central America. [end recording]

For his part, Blanco Party Senator Guillermo Garcia Costa said that the Uruguayan Senate and Government are likely to issue a statement reflecting our opposition to the U.S. Senate decision.

[Begin Garcia Costa recording, in progress] ...and I obviously expect that all Uruguayans and Latin Americans will agree. This attitude on the part of this great power has caused great displeasure and disappointment. With impunity, the United States has violated international treaties and the rules of international coexistence. This attitude will create new conflicts, which will emerge in the future, and will inflict very serious wounds that will be very hard to heal. This makes it very difficult for Latin American countries to maintain the kind of relations they have always wanted to have with the United States, which has turned this effort into a very difficult task.

One clearly realizes that this type of action can lead to chaos. Despite all this, the step has already been taken. Well, may God keep the situation from worsening to the point we fear, that is, to a situation of new conflicts that will add fuel to the flames. [end recording]

In turn, Broad Front Senator Enrique Martinez Moreno, of the 99 list, said the situation which the U.S. aid can cause in Central America could spark a world crisis. He believes that the \$100 million will not be enough, because the contras will not know how to spend it.

[Begin Martinez Moreno recording] Well, the U.S. Senate decision to support Reagan was predictable, because in the Senate the Republican Party holds a majority that it does not have in the House. Therefore, I am not surprised that Reagan succeeded by seven or eight votes in his plan to obtain a large amount of money, over \$100 million, to destabilize the Nicaraguan Government. This is the objective of this second Theodore Roosevelt. He once again wants to use the big stick policy as his preferred weapon in his Caribbean backyard, as they call it. This is an old policy which does not surprise us at all, especially since it comes from Republican Party leaders, who are the most faithful representatives of U.S. imperialism in that region. [end recording]

ADMIRAL AROSA COMMENTS ON DEFENSE, AWACS DEAL

PY142103 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1340 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (NA) -- Navy Chief of Staff Vice Admiral Ramon Arosa today stated that his force prefers the title of "commander" for the senior Naval officer who heads the Navy. He explained that the title should contain just one word, "commander" because there is only one commander in chief, who, according to the Constitution, is the president of the Republic.

Arosa made this statement at a meeting of the Senate Defense Committee, where he was invited to express the Navy's opinion on the defense bill which has been approved by the Chamber of Deputies and is now under study by the Senate.

Arosa, who was welcomed by Senator Antonio Berhongarary, president of the Defense Committee, indicated that "on matters of defense the Navy wants legislation to be as complete as possible, something that could last for centuries."

The Navy chief said that the Armed Forces intelligence services should not get involved in domestic operations "if it involves watching over other sectors of the national community." He indicated, however, that "intelligence operations inside the country are also necessary for national defense in the face of a foreign enemy."

When asked about a press report on the possibility that the Navy may exchange two missile frigates with Saudi Arabia as partial payment for two AWACS airplanes equipped with sophisticated equipment for detecting enemy forces, Arosa said, "I am not aware of this."

About the eventual destination of the airplanes if the exchange does take place, Arosa said, "if the airplanes are equipped for submarine detection they should be for the Navy, but if they are equipped for other operations they should go to the Air Force."

The meeting was held in the Rosado Hall of the Senate and was also attended by Senators Adolfo Gass, Juan Trilla, Carlos Gomez Centurion, and Felix Bravo Herrea.

NICARAGUAN MISSION ON ICJ RULING VISITS

PY142353 Buenos Aires DYN in Spanish 1845 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (DYN) -- Nicaraguan diplomats here today concluded a mission aimed at thoroughly reporting on a ruling by the International Court of Justice [ICJ] in the Hague, condemning the U.S. military intervention in Nicaragua, that small Central American country.

The informative mission was headed by Carlos Arguello, a Nicaraguan lawyer who held meetings with Raul Alconada Sempe, the Latin American affairs under secretary of the Foreign Ministry; Adolfo Gass, the chairman of the Senate's Foreign Relations Committee; the Radical Civic Union [UCR], Peronist Renewal faction and Intransigent Party leaders.

Arguello, who is the Nicaraguan ambassador to the Netherlands and the head of the mission of Nicaraguan lawyers to the ICJ, was accompanied during the meetings by Nicaraguan ambassador to Argentina Fernando Guzman Cuadra.

Incidentally, the Nicaraguan ambassador to Argentina praised the government led by Raul Alfonsin for "its active negotiations for world peace" and especially for the support given to the Contadora Group to peacefully solve the Central American conflict.

Before returning to the Netherlands, and after completing a 1-week visit to Brazil and Argentina, Arguello held a press conference, giving an account of the 12-to-1 ruling handed down by the court on 27 June, condemning the U.S. military intervention in Nicaragua and asking the Reagan administration to indemnify the small Central American country.

COMMUNIQUE ON FISHING PACT WITH USSR, U.K. RESPONSE

PY150225 Buenos Aires TELAM in Spanish 0115 GMT 15 Aug 86

[Text] Buenos Aires, 14 Aug (TELAM) -- The Foreign Ministry has said that the fishing agreement signed between Argentina and the Soviet Union refers to the Argentine exclusive economic zone and adjacent zones in full compliance with the principles and regulations of international law and especially with the UN Law of the Sea. The Foreign Ministry made this statement in connection with the Foreign Office (the British Foreign Ministry) declaration invalidating the agreement.

In a communique released tonight, the Argentine Foreign Ministry says that as an international agreement between two sovereign states, without British participation, the statements contained in the declaration are surprising.

The Argentine Foreign Ministry adds that the agreement's purpose is bilateral cooperation, the reactivation of the Argentine fishing sector, and the protection and use of fishing resources.

A British Foreign Office spokesman yesterday stated that the Argentine-Soviet agreement would have no basis in international law because British sovereignty over the Malvinas gives London the right to exercise fisheries jurisdiction over these waters.

The protection zone set up by Great Britain after the 1982 war over the Malvinas extends to 150 miles around the islands.

RADIOACTIVE LEAK REPORTED AT B.A. PLANT

PY141941 Buenos Aires DYN in Spanish 1830 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (DYN) -- A leak of highly toxic radioactive material, although in small amounts, occurred on 11 August at the Constituyentes Atomic Center, which is located on Constituyentes Avenue near General Paz Avenue in Buenos Aires Province, it was reported today by responsible sources.

The leak of the highly toxic "Ameriso" radioisotope occurred at noon on Monday, 11 August, at the "fuels" building of the atomic center when several workers and technicians were at work, the sources added.

These people, whose number has not been specified, may have been contaminated by the leak. Because this radioactive material is very hard to detect, the officials of the National Nuclear Energy Commission [CNEA] did not learn about the leak until Tuesday, 12 August.

Only then were the appropriate security measures taken. Yet, the sources said that this leak does not seriously endanger the lives of the workers and technicians who were exposed to it.

Although no official statement has been released, CNEA sources have noted that the leak does not pose a threat to anyone.

Leak 'Under Complete Control'

PY142113 Buenos Aires TELAM in Spanish 2045 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (TELAM) -- The leak of radioactive material, which occurred at the Constituyentes Atomic Center when technicians were handling a solution of "Ameriso" radioisotope, a transuranium artificial chemical element used in the manufacture of nuclear fuel, is under complete control. Rodolfo Touzet, one of the members of the agency charged with overseeing the safety of nuclear installations, downplayed the event, terming it a frequent operational incident that takes place when radioactive material is being handled.

HEALTH GROUP WANTS DENUCLEARIZATION OF FALKLANDS

PY131635 Buenos Aires Domestic Service in Spanish 0200 GMT 13 Aug 86

[Text] The Movement of Argentine Doctors and Health Professionals for the Prevention of Nuclear War [Movimiento Medico Argentino y Profesionales de la Salud por la Prevencion de la Guerra Nuclear] has issued a communique on the occasion of the anniversary of the Reconquest [La Reconquista -- the recapture on 7 August 1806 of the city of Buenos Aires from the British]. It also requests the denuclearization of the islands as demanded to protect the life and health of Argentines.

SECOND IN COMMAND OF III ARMY CORPS RETIRES

PY032240 Buenos Aires BUENOS AIRES HERALD in English 2 Aug 86 p 11

[Text] (NA) -- Colonel Jorge Le Bretau, the second in command of the Cordoba-based III Army Corps, has been put on the retirement list at his own request, Army Command sources said yesterday. The sources said Le Bretau asked to be retired following the retirement of the former commander of the corps, General Ignacio Verdura, in the wake of the foiled attempt against President Raul Alfonsin last May.

ATTACK ON TANDIL TV REPEATER STATION REPORTED

PY051657 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1243 GMT 5 Aug 86

[Text] Mar del Plata, 5 Aug (NA) -- Officials of Tandil Television Channel 10 today reported that a group of unidentified individuals had attacked their repeater station. The repeater was seriously damaged, and its transmissions were temporarily interrupted. The attack occurred last weekend, but it was only reported yesterday.

The officials at Channel 10 said that the unidentified assailants used stones and metal instruments to break open the entrance door of the concrete and plaster building, which is located on the highest point of the Tandil Range. After breaking into the building, the attackers shot at walls, doors, and windows, destroying light bulbs and other objects. Then they broke open a second metal door secured by a security lock, and threw a heavy roll of wire against electronic equipment and lamps, causing serious damage.

They also interrupted the transmissions by pulling out the coaxial cable. This made the technicians aware that something was wrong, but thanks to their efforts the transmission was almost resumed immediately, although the work to restore the rest of the station is still continuing.

A judge in Dolores is investigating the case, which he has described as an "attack on the communications media with damage and theft."

OFFICIAL PROTEST LODGED WITH U.S. EMBASSY

PY141446 Santiago LA TERCERA DE LA HORA in Spanish 12 Aug 86 p 6

[Text] The Foreign Ministry has released a communique stating: "Chile will not allow any violation of its sovereignty in its territory and will act accordingly." The communique reports that Acting Foreign Minister Lieutenant General Sergio Covarrubias on 11 August conveyed to U.S. Ambassador Harry Barnes the Chilean Government's displeasure over the covert activities that U.S. intelligence has allegedly undertaken in Chile.

The communique reads: "1. On 11 August, Acting Foreign Minister Lt Gen Sergio Covarrubias Sanhueza met with U.S. Ambassador to Chile Harry Barnes.

"2. It is publicly known that in recent days the U.S. press has given wide coverage to the covert activities that the U.S. intelligence services have allegedly conducted in Chile to obtain secret information from Chilean institutions.

"3. The acting foreign minister voiced the Chilean Government's displeasure over the press reports on the alleged activities, which violate international law and diplomatic rules, and asked the ambassador to furnish him with all the available information on the investigations being conducted in the United States. The U.S. ambassador was also told that the Chilean Government will not allow any violation of its sovereignty in its territory and will act accordingly."

RELEASE OF USSR FLEET DOCUMENTARY DENIED

PY141914 Paris AFP in Spanish 1756 GMT 14 Aug 86

[Text] Santiago, 14 Aug (AFP) -- The Chilean Foreign Ministry has denied having delivered to Peruvian television stations a documentary on alleged espionage activities by Soviet fishing trawlers in the Pacific Ocean. A 6-minute documentary that was recently broadcast by Lima television stations explains that the Soviet ships are equipped for electronic war.

The film clips broadcast coincided with the Chilean Government's charges that Soviet agents helped to unload the arsenal discovered a week ago in northern Chile. The Foreign Ministry's department for bilateral policy has said that the Chilean authorities have not supplied any documentary on the Soviet fishing boats to Peruvian television stations.

In a report published by the newspaper ULTIMAS NOTICIAS, a senior Foreign Ministry official said that every week the Social Communications Directorate (Dinacos) sends selected audiovisual material to Chilean Embassies. However, he said no special material had been sent to Peru for dissemination.

DINACOS ANNOUNCES NEW ARMS CACHE DISCOVERY

PY141842 Santiago Domestic Service in Spanish 1700 GMT 14 Aug 86

[Text] Dinacos [Social Communications Directorate] has released another official communique reporting that a new arms cache has been found in the 3d Region. The communique says:

During investigations being conducted to establish all the details and connections with the terrorist arsenals discovered in the 3d Region, new arms caches have been found in Palo Negro and (Wasco Bajo). The findings include 641 M-16 automatic rifles, which so far brings the total to 1,045 rifles. The communique says that 150,000 rounds of rifle ammunition and 25 Soviet-made rocket launchers were also found.

The communique adds that more detailed information will be given on the investigation into this terrorist operation, which has confirmed once again the government's charges of permanent aggression by international subversion. This is the communique released by Dinacos on the latest arms discovery in the 3d Region.

PINOCHET SAYS GOVERNMENT WILL STRONGER THAN EVER

PY150259 Santiago Domestic Service in Spanish 2300 GMT 13 Aug 86

[Text] President Pinochet today said the government's will is stronger than ever. We will not give up, the chief of state said, the right to seek a future for a regime born from the heart and support of the people. President Pinochet spoke at the end of a luncheon, which a group of former under secretaries of the administration hosted at the Union Club. In his speech, Pinochet said that some sectors seek only the failure of the government.

[Begin Pinochet recording] Much has been said lately about the regime's future. What is happening gentlemen? The only thing they want is the failure of the government. They cannot accept the consolidation of the Constitution. That is why I say they are wrong. These gentlemen must know our will is stronger than ever. Those who are doubtful or fearful must listen well: We will not give up the legitimate right and responsibility of seeking a future for a regime born from the heart and support of the people. [end recording]

The chief of state added that Chile and its future are more important than party interests. He urged the former under secretaries to favor the unity of all sectors to ensure the effective validity of freedom in Chile. He insisted that in order to consolidate past accomplishments, decisiveness and patriotic spirit are needed.

[Begin recording] The place one works or the post from which one contributes to our task is irrelevant. What is really important is to be aware that we are the ones who must assume a vanguard position in order not to give way to those responsible for the class struggle, politization, and poverty. When the men in whom the nation has entrusted its present and future are not willing to make sacrifices, use their talent, experience, and energy for the sake of progress, then the force and inspiration necessary for progress is lost. [end recording]

In conclusion, Gen Pinochet said giving up the future planned by the government would mean abandoning the commitment and principles of the current regime's ideology.

JUDGE ORDERS ARRESTS AFTER DISAPPEARANCES

PY150234 Santiago Radio Chilena in Spanish 2300 GMT 14 Aug 86

[Text] Judge Carlos Cerda has ordered the arrest of 41 people allegedly involved in the arrest and disappearance of 10 Communist leaders. Former government Junta member and Chilean Air Force [FACH] General Gustavo Leigh Guzman, Carabineros Mayor Julio (Benileni), and FACH Colonel Edgar Zeballos are wanted along with: 15 FACH officers, 13 Carabineros members, 2 Chilean Navy members, 5 Chilean Investigation Police members, and 3 civilians.

GOVERNMENT FORCES PREPARE FOR MIR ATTACKS

PY142356 Paris AFP in Spanish 1719 GMT 14 Aug 86

[Excerpt] Santiago, 14 Aug (AFP) -- Police sources in Santiago today reported that Chilean Government security forces have strengthened surveillance to face an alleged wave of guerrilla sabotage actions and attacks against barracks.

The Movement of the Revolutionary Left (MIR), which is waging an armed struggle against the military regime of President Augusto Pinochet, today celebrates its 21st anniversary. MIR spokesmen have announced that this date will mark the beginning of an offensive by the MIR. [passage omitted]

'MIR' Attack Injures Driver

PY142157 Santiago Domestic Service in Spanish 1700 GMT 14 Aug 86

[Excerpts] A new extremist attack this morning mobilized the press. Extremists left a fatal trap on Santa Rosa Avenue where a bomb explosion injured a worker. Another bomb was deactivated. Extremists left the trap at the corner of Santa Rosa Avenue and Carmen Mena Street, placing three bombs inside boxes. The objective of the attack was to injure passersby and also policemen who would be lured by the booby trap.

The incident occurred at 0910 as a delivery wagon, was passing by, driven by Luis Alberto Perez. The boxes were placed in the middle of the eastern lane of Santa Rosa Avenue. Several drivers avoided the boxes, because a banner containing slogans marking the occasion of the anniversary of the outlawed MIR [Movement of the Revolutionary Left] were at the site. Apparently, Perez drove over the boxes which then exploded destroying the delivery truck. [passage omitted]

Perez was taken to the Barros Luco emergency room where he was treated. A little after 1100, a Carabineros officer from the Carabineros South precinct told reporters that Perez was in guarded condition, with a contusion on his head.

The officer also noted that Perez was suffering from a temporary loss of hearing but added this was gradually dissipating and his injuries were not believed to be too serious.

A police spokesman said that the plastic bomb weighed approximately 1.8 kg. Police did not disclose the amount of explosive used in the other bomb which was set up as a trap for the BOPE [not further identified] Carabineros squad.

Rebels Break Into Radio Station

PY150203 Santiago Domestic Service in Spanish 2300 GMT 14 Aug 86

[Relay from Radio RSN of Valparaiso]

[Text] Three armed individuals belonging to the Movement of the Revolutionary Left [MIR] broke into the studios of radio Station Pocochay FM in Quillota and broadcast antigovernment slogans.

The criminals entered the radio station, located at the intersection of Maipu and Freire Streets in Quillota and threatened several radio employees at gunpoint. The terrorists forced the employees to lie on the floor, tied their hands with wire, cut the telephone lines, and broadcast two cassettes with subversive slogans. Police are now searching for the terrorists.

1 INJURED, BUILDINGS BURNED IN BOMBINGS

PY142003 Paris AFP in Spanish 1657 GMT 14 Aug 86

[Text] Santiago, 14 August (AFP) -- The Chilean Police have reported one person injured today by the explosion of a dynamite charge hidden inside a station wagon. Apparently, the injured person, a 30-year old worker, was inside the moving vehicle. The explosion occurred in a highly-populated neighborhood of San Miguel in southern Santiago.

Yesterday, bombs thrown by unidentified individuals caused fires in five shops in Santiago and Talca, a government office in Vina del Mar, and two public buses in Vina del Mar and Santiago.

DEMOCRATIC ALLIANCE ANNOUNCES POLITICAL PROPOSAL

PY141604 Santiago Radio Chilena in Spanish 2300 GMT 13 Aug 86

The Democratic Alliance [AD] this afternoon issued a political proposal to the Armed Forces, the citizenry, and all political organizations, except for the Movement of the Revolutionary Left [MIR].

The document was made public by AD leader Enrique Silva Cimma. The AD proposes that, given our country's serious anguish and crisis which is being worsened by an escalation of violence and horrible crimes connected to the regime, the application of peaceful social pressure by the Chilean people is the only way to attain a fast and peaceful solution.

This solution must be negotiated jointly with the Armed Forces and the Carabineros. The AD considers that the only way by which we will attain this objective is by expressing our national sovereignty as proposed by the National Accord and the National Civic Assembly [ANC]

The AD proposes to immediately put into practice the urgent measures proposed by the National Accord for the Transition to Full Democracy. The citizenry, the Armed Forces, and the Carabineros must agree the real transition toward democracy will require the exercising of popular sovereignty, that is, the right to cast a universal, direct, personal, free, secret, and informed vote to elect the president of the republic and members of Congress who will have constituent, legislative, and auditing responsibility, together with the municipal authorities.

[Begin Silva Cimma recording, in progress]... and in order to comply with these objectives, a plebiscite must be held according to the measures explained in the National Accord. Therefore, in order to hold an honest plebiscite, the electoral procedures must be guaranteed. Once the plebiscite has been held and the proposals are approved, the transition process to democracy must start. To attain this, the Armed Forces, the Carabineros, and the citizenry must agree on the measures and on the people or peoples that will guarantee the implementation of this process so as to comply with the objectives proposed within a pre-established time table as soon as possible. [end recording]

Silva Cimma said that the AD has already sent this proposal to all the national political sectors except for the MIR.

MDP Accepts Some Aspects

PY141640 Santiago Radio Chilena in Spanish 2300 GMT 13 Aug 86

[Text] The Popular Democratic Movement [MDP] this afternoon announced it has accepted parts of the political proposal released by the Democratic Alliance. During a press conference MDP leader German Correa indicated important agreements to find a solution to the crisis affecting the country have been reached by the opposition political forces.

[Begin Correa recording] The Chilean opposition agrees:

A. There can be no democratic solution so long as Pinochet remains in power, because he is the main obstacle preventing the return of democracy to the country.

B. The process for the transition to democracy must be headed by a widely accepted individual offering guarantees and he must have the support of the civilian and military democratic sectors.

C. The transition process must be based on the holding of general elections as soon as possible so the people can elect their leaders and a new institutionality to govern the country. [end recording]

In answer to a question that the agreements contradict the attitude of the MIR [Movement of the Revolutionary Left] expressed by Pascal Allende, German Correa indicated that every party or movement of the MDP is autonomous.

Abeliuk on Response

PY150116 Santiago Radio Chilena in Spanish 1700 GMT 14 Aug 86

[Text] Social Democratic Party President Rene Abeliuk has noted that the MDP answer to the Democratic Alliance [AD] proposals has some positive points. However, he said he is concerned over the fact that MDP lacks a clear and specific position regarding violence.

It must be noted that yesterday the AD submitted a political proposal aimed at overcoming the serious crisis the country is experiencing. This proposal calls for the enforcement of the immediate measures included in the National Accord for the transition to full democracy. Later, during a press conference, the MDP accepted this proposal.

Asked about the MDP's answer, Rene Abeliuk noted that it has some positive points.

[Begin Abeliuk recording] Obviously, we do not hold the same position, but there is a certain rapprochement which is undoubtedly something positive.

What I am really concerned about regarding the MDP -- as we have already noted in our answer to their letter -- is that beyond the support of a proposal, we have to resolve the strategy issue, which is far more important than the proposal itself. We can have many proposals, but the interesting thing is to establish the formula through which this proposal can be implemented. [end recording]

Abeliuk added that in all this there is a fundamental strategic difference that must be resolved. He noted that we believe that violence is condemnable not only for what it represents, but because it serves the regime's plans.

[Begin Abeliuk recording] The way the government is taking advantage of what happened in the North and regarding the MIR statement shows us how the MDP, which does not have a definitive position regarding violence, plays into the government's hands.

We are asking the MDP -- and this is something it should do if it truly wants to contribute to the return of democracy in Chile -- to uphold a clear and categorical position against violence and to repudiate it because, in addition to what we have already noted, it is quite useful for the regime's intentions. [end recording]

Rene Abeliuk reasserted that he hopes the MDP will define its position regarding the violence issue.

SOCIALIST CONDEMNS 'MILITARY STRUGGLE'

PY150127 Madrid EFE in Spanish 2155 GMT 13 Aug 86

[Text] Santiago, 13 Aug (EFE) -- Manuel Almeyda, secretary general of the "orthodox" Socialist Party who is currently underground, today condemned the "military struggle" seeking to bring down the regime of General Augusto Pinochet.

In a statement to EFE, Almeyda, who went underground late in 1984 after being sentenced to 200 days of imprisonment for participating in antigovernment demonstrations, said that his party "does not support the idea that the military struggle is fundamentally important to the strategy against the dictatorship." Almeyda rejected outright the declarations made recently by Andres Pascal Allende, top leader of the Movement of the Revolutionary Left (MIR) which is allied with Almeydist socialism in the Popular Democratic Movement (MDP).

Manuel Almeyda, brother of former Popular Unity minister and Socialist Party ideologist, Clodomiro Almeyda, said the military struggle "does not lead to popular rebellion," and he added such a thing "would make the anti-dictatorship struggle more vulnerable to the dictatorship which would then be able to strike out at the popular movement." Almeyda said he favored "the struggle of the masses in a broad, united, sustained, and progressive manner, with the hope that a democratic national upheaval will lead to the defeat of the dictatorship."

The Socialist Party, Almeyda said, "decidedly supports civil disobedience and the people's demands as expressed by the National Civic Assembly with the purpose of holding a national and indefinite stoppage of activities to make the country ungovernable for the dictatorship."

The so-called hardline Socialists think it is important to reach an understanding with the rest of the parties and force because "we have always thought that to oust the regime is a task for all democrats and to attain this, a social and political understanding is needed without excluding anyone." Almeyda said that "given these circumstances we believe it is very important that we reach a consensus that will provide answers to the demand for democracy of large sectors of the opposition."

Regarding the Armed Forces' role in the stage of transition, Almeyda said: "As long as the Armed Forces continue supporting and obeying Pinochet, there is no possibility of reaching an agreement with them at all." If the criminal irresponsibility -- he added -- of the ruling circle denies a solution to the crisis, the Armed Forces will have to choose between supporting a repudiated gang without any political or moral support, or taking the necessary steps to contribute to establishing peace, justice, and democracy."

After explaining the need for "a greater democratic understanding," Almeyda promised to "make the greatest effort in stepping up the social struggle to seek agreements with all democrats to find a solution that will represent the will of the majority." The socialist leader said: The Armed Forces support for the people's struggle is indispensable. Therefore, there should be a campaign to tell them about the patriotic role they could be playing alongside the people."

Almeyda also called on the Catholic Church, "which has approved the people's struggle for democracy to help with its moral prestige to make progress toward conquering peace and democracy."

RIGHTIST GROUP LINKED TO ANTICHURCH SLOGANS

PY131656 Madrid EFE in Spanish 1519 GMT 12 Aug 86

[Text] Santiago, 12 Aug (EFE) — Temuco Bishop Msgr Sergio Contreras today filed a misdemeanor suit against three people, two of ultrarightist militants, for "outrages and damage to property."

Edgardo Barrenechea, Armin Seeman, and Fernando Varela were caught by surprise by a Carabinero last Friday. They were painting anti-Catholic Church slogans on one of the walls of the Temuco Cathedral, 700 km south of Santiago. When they were surprised, they tried to escape, but the Carabinero used his weapon, injuring one of Barrenechea's feet.

"National Progressive Movement" [Movimiento de Avanzada Nacional - MAN] leaders have admitted that Barrenechea is a regional MAN leader but denied he was painting slogans on the cathedral's walls.

Boris Camus, from the "Nacional Progressive Movement of Temuco" [Avanzada Nacional de Temuco -- ANT] has stated that ANT militants were near the cathedral to face a left-wing group that was painting slogans, "and this is why they were armed."

Police reports state the three individuals were armed and were out on bail while waiting for the report on their arms registration to be issued by the military barracks.

Slogans against the Catholic Church, signed by the "Chilean Anti-Communist Group" [Agrupacion Chilena Anticomunista -- ACHA], have been painted on several churches in Temuco and other Chilean cities, including Santiago.

GOVERNMENT MAKES \$35-MILLION PAYMENT TO IMF

PY141521 Lima Panamericana Television Network in Spanish 0300 GMT 14 Aug 86

[Text] Central Bank President Leonel Figueroa today announced that the government has paid \$35 million to the IMF as partial payment on the \$180-million obligation that will fall due on 15 August. The IMF reaction is not yet known.

[Begin Figueroa recording] We believe that paying nearly \$200 million to the IMF for a debt which has matured will hurt our effort to maintain and improve the economic gains that the country has achieved. Despite adverse circumstances, Peru has made the significant effort of paying \$35 million on our total obligations, and is promising to make greater efforts to make future payments within its capabilities. In view of this situation, Peru hopes that the IMF, in a gesture of understanding, will accept this partial payment and allow a longer term than was originally established for Peru to fulfill its obligations, because their fulfillment at this time would be burdensome for the country. Peru has requested that the IMF make an exception and allow payments on its matured debt to be made in its own currency. [end recording]

STATE ENTERPRISES SUSPEND FOREIGN PURCHASES

PY141833 Paris AFP in Spanish 1442 GMT 14 Aug 86

[Text] Lima, 14 Aug (AFP) -- The recently created Superior Council for Goods Acquisition (COSAB) has in the past 2 months prevented 19 million inties (\$1.4 million) from flowing out of the country by vetoing purchases abroad by the state enterprises that include Petroperu [State Petroleum Agency], Siderperu [Peruvian State Iron and Steel Enterprise], and others. COSAB President Milton Guerrero said that the measure was necessary to prevent the loss of hard currency and to protect domestic industry by ensuring, as much as possible, the purchase of national goods and services.

CONDITIONS GIVEN FOR RECALL OF AMBASSADOR TO GDR

PY141511 Lima Panamericana Television Network in Spanish 0300 GMT 14 Aug 86

[Text] Foreign Minister Allan Wagner today stated that the Peruvian ambassador to the GDR will be withdrawn if the precise information which has been requested by Peru in the case of the Danish ship Pia Vesta is not received. Wagner explained that the recall of Peruvian Ambassador Walter Stubbs for consultation does not necessarily mean the breaking of diplomatic relations.

A GDR Embassy spokesman has said that the Peruvian Foreign Ministry opinion on this issue will be respected and that there will be no statement from that embassy for the time being. With regard to the possibility of breaking relations, Foreign Minister Allan Wagner indicated that this is a decision that has to be made by the Peruvian Government at the appropriate time following the evaluation of various elements and reactions.

FLORES DENIES SMUGGLED ARMS DESTINED FOR ARMY

PY142054 Paris AFP in Spanish 1731 GMT 14 Aug 86

[Text] Lima, 14 Aug (AFP) -- War Minister General Jorge Flores Torres today denied that an arms shipment seized from the Danish ship Pia Vesta in Panama had been consigned to the Peruvian Army.

During a radio interview, Gen Flores called untrue some statements made by arms dealer David Duncan in the United States to the newspaper THE MIAMI HERALD.

The war minister said that he is willing to appear before the national congress to make a report giving all the assurances that the Army has nothing to do with this deal.

Some press reports in Lima have attributed to Duncan statements suggesting that the arms loaded in early May in Rostock, East Germany, comprising 32 trucks, 1,500 FAL rifles, and 1,500 Soviet-made rockets, have also reportedly been consigned to the Peruvian Navy. Thus far the Navy has not made any comments on the reports involving it in this deal.

Foreign Minister Allan Wagner yesterday stated that before it was intercepted in Panama, as a result of a Peruvian report, the Pia Vesta sailed Peruvian territorial waters in early June but did not unload any type of arms in Peru. The Peruvian Government lodged a complaint with the GDR Government, but regarding unsatisfactory the explanations received 2 days ago it decided to temporarily recall its ambassador to that country, Ricardo Walter Stubbs Vega.

PRESIDENT DISCUSSES PROBLEMS, ACCOMPLISHMENTS

PY140315 Buenos Aires TIEMPO ARGENTINO in Spanish 10 Aug 86 p 10, 11

["Exclusive" interview with President Alan Garcia by Maria Oliva in Lima; date not given]

[Text] [Oliva] Mr President, U.S. troops are carrying out an intense operation in Bolivia to combat drug trafficking. Will your government permit a similar action to be carried out in Peruvian territory?

[Garcia] Peruvian police and the Armed Forces are capable of dealing with drug trafficking and any other issue that arises in the country.

[Oliva] Do you believe that Peru has sufficient resources with which to confront and control the drug trafficking problem?

[Garcia] Yes, I do, and what is more important we have the necessary will to resolve the problem by ourselves.

[Oliva] Bolivian opposition leaders and even members of Paz Estenssoro's party have requested his impeachment, arguing that the government has allowed "a serious violation of the nation's sovereignty." What is your position in this regard?

[Garcia] Since the Bolivian Government itself requested the intervention of U.S. forces, this cannot be interpreted as a serious violation of the nation's sovereignty. Drug trafficking, particularly the production of drugs, is an issue of concern for several Latin American countries including Bolivia, Peru and Colombia. I believe that the interesting thing would be for these countries to coordinate their operations, strategies, and actions and to grant themselves mutual support before requesting the intervention of U.S. troops. The U.S., instead of being worried about drug production, should first be concerned about the drug consumption problem which is the origin of this whole drama that affects Latin America and the entire hemisphere. Not until the United States restricts, limits, or enforces punishment for drug consumption in keeping with the principles it preaches will drug production also decrease.

[Oliva] In March you visited Argentina, where you had the chance not only to meet with President Alfonsín, but also with Argentine opposition leaders and union leaders. What was the result of this trip?

[García] Argentine democracy is a moral and material good that must be preserved, protected and strengthened, and I also believe that the government of President Alfonsín has taken many fundamental steps to deserve the support of all citizens. I found that we share very important points of view both at the Latin American level, and with regard to the foreign debt, development, and social reorganization. I share similar points of view regarding democracy in Argentina. I believe I learned a lot on this trip and I saw with great satisfaction that democracy is being strengthened in Argentina.

[Oliva] During your stay in Buenos Aires you said that your country would break relations with the power that decides to invade Nicaragua. The U.S. House of Representatives has already approved \$100 million to aid those who are against the Sandinist government. This is not a direct invasion, but it is close. What is your opinion about this?

[García] What I said still stands, and I reassert our point of view. However, this does not mean that we support or identify ourselves with domestic policy errors or specific ideologies upheld by the Nicaraguan Government. No domestic policy errors can, however, justify foreign interference, much less intervention that comes from outside Latin American borders. I always thought that at the time of the British aggression against Argentina, the Peruvian Government should have adopted forceful decisions regarding its relations with Great Britain, because I interpreted this aggression as an aggression against Latin America in general and because, as I have already said, I believe that no ideological error, and no domestic policy error, justifies foreign intervention or the arbitrary assumption of power over this continent by some great power.

[Oliva] Would you consider the granting of \$100 million to the contras as intervention?

[García] We cannot yet describe it as direct intervention. What the Nicaraguan Government has constantly denounced is the wish of the United States to send troops, and this is what we would reject. The decision of the U.S. Government and of the U.S. Congress -- which I believe is a serious historic and political mistake -- to grant \$100 million to the contras can be rejected and combatted through other means, one of them would be the Contadora Group and the Contadora Support Group.

[Oliva] Some believe that Nicaragua's intransigence and the biased pro-U.S. attitude adopted by some Central American Governments have contributed to the failure of the Contadora peace agreement. As a member of the Contadora Support Group, tell me what the next steps will be.

[García] The first thing is to be patient and to understand that what was not achievable in the past may be achieved later. The fact that there has not been an escalation of violence is already a victory for the Contadora Group. I believe this is the first time that Latin Americans have conscientiously adopted a joint position. If the Contadora Group fails, the possibility of achieving any future joint position regarding the foreign debt, which is also the great historic mortgage hanging over Latin America, will also fail.

[Oliva] Argentina and Brazil have just signed an economic integration agreement. Does Peru plan to implement a similar integration plan?

[Garcia] We greet with historic expectation the Argentine-Brazilian agreement and the initiatives that had been taken previously between Argentina and Uruguay because these constitute a qualitative step in a continent that is divided. We have not achieved any bilateral agreements yet, but we do not reject the possibility that we may seek them. You must understand that the first step that Peru has to take with respect to the neighboring countries is to remove mistrust and historic rivalries which do not make any sense at the end of the 20th century. The second step must be to strengthen our economic relations. However, I think the Brazilian-Argentine example is very important. Neither development, justice, nor the national existence of Latin America can occur without integration; anti-imperialism cannot exist without integration, nor can democracy exist without anti-imperialism in Latin America.

[Oliva] A report made public in Argentina, datelined Washington, states that Pentagon sources have announced the future fall of your government, mentioning also the difficult relations you have with the Armed Forces. What does this type of statement mean to you? Would you consider them as an interference in the internal affairs of your country?

[Garcia] In the first place, press releases often purport to contain first-hand news that is nothing but a series of hypotheses which are not true and which do not have a real source. Political experience has taught me not to take these references into account, as long as they do not originate directly at the source. I think the need to create news is sometimes harmful because it generates this type of problem, and a responsible person would know better than to answer reports of unknown origin or which lack truth and are not accurate. Regarding the hypothesis that has been formulated, I believe that it is absolutely negative -- and I would say absurd -- in the case of a country like Peru, where the government was elected by a large majority and is supported by an ever-growing majority. Who would not want the Peruvian Government to remain firm in this difficult situation, responding, according to some, in a strong and audacious way to the problem of the foreign debt, or claiming solidarity with the wrong people -- in the case of Nicaragua -- as others say? Who would be interested in silencing the voice? Who does not agree with the present circumstances? Those who enjoy these circumstances?

[Oliva] The most radical left accuses your government of fostering what they call a growing militarization of the country.

[Garcia] We learn a lot about Peru through the Argentine experience. I know that some people would say that General Velasco "wants to do something like Peron did." "The fact that there are bombings and armed groups and assassinations of mayors, of governors in each town of the country, forces us to use the Civil Guard or the Army to patrol and to restrict the movements of the subversives. They call that militarization. How do you fight armed people? With arms. You fight a problem that has historical roots with a historic plan, but armed actions and crime must be fought with arms, within the framework of the law and trying to avoid outrages like the ones that occurred at the prison. And when the police have neither sufficient personnel nor enough mobility, we are not going to ask the U.S. police to come down, we have to use the Peruvian Army, under the government's orders.

You cannot call that militarization. That happens when the armed forces assume power, when the president is pushed aside, and this is not the case. I am responsible for guaranteeing the transformation, and the independence, of the Peruvian people, as well as for enforcing security and order. I am not afraid to say that if for that reason it is necessary to use arms, then we must use them. Of course, those who interpret the nation's current situation by viewing it in the light of what happened in other countries use this attitude to claim that the Armed Forces are gradually increasing their influence. The same people could claim the same of the police. We have a clear notion of the manner in which the armed actions should be carried out and we believe in punishing those who overstep their authority in this armed struggle. We are not going to cover up for any crime nor justify it. However, we are not going to allow the country to become a circus, in which the subversives parade around and carry out their crimes free and unpunished, just to avoid making any mistakes. Therefore, if the Armed Forces get involved in these cases they will do so on the strength of their constitutional guidelines. As in any other country, the president of the nation is also the supreme commander of the Armed Forces, and it is up to him to decide how these forces should be used. The president is elected by the people, so when the Armed Forces intervene in a given situation they do so in compliance with the people's wishes.

[Oliva] What is the main self-criticism you can make after 1 year in government?

[Garcia] First, I feel unfulfilled, powerless, because I have not been able to infuse into the entire state apparatus the historic desire to do something. The people understand that there is a great difference between the President's ideological fervor and the bureaucrats. The bureaucrat feels that his work is a way to earn a living and that the president will change in a few years. What makes me despair the most is the knowledge that bribes are still being taken. No one knows who is taking them, but they are obviously being taken. They continue to live on in the house, even though the house has changed owners. They are still around. This is a terrible sensation because it is impossible to determine where they are or how it is being done. This is an acknowledgement of reality, a compromise with the hypocrisy of the spirit.

The state is not alone in this. The common citizen continues to view the history of Peru as something alien to him. History stops at the door of this house, nothing outside the house belongs to him.

This passive and indifferent attitude shows that the people feel that they own nothing, as has been the case throughout their history.

I could do nothing about that passivity and indifference, but I did manage to raise expectations, hope, and faith. However, no one has yet realized that we are on the battlefield, that this could be the last day. I am not a doomsayer, but the truth is that no one has yet realized this. My speeches elicit ovations, and many do understand the meaning that they try to convey, but they do not fully comprehend the anxiety of a soldier in combat who knows that his own life depends on his own efforts. On the other hand, there are things that are very positive. An important part of the people perceives the problem, senses it, realizes it, and gives its support. There is an important part of the population that understands the need for patience. There is also the intellectual bourgeoisie who preach impatience, intolerance, and despair.

They are the ones who say that we must move fast, and the sooner the better. I told them in my speech to Congress that when I hear the cries of impatience, I also hear the silence of those who have historically remained tolerant.

Then, suddenly, one realizes that with all the effort one can muster, one can push history one centimeter forward, but that history, left alone, will continue to move just the same. Do you understand the idea?

[Oliva] Do you feel that you are alone?

[Garcia] All presidents, no matter what their thinking, feel alone, just because they are presidents. But I have by my side my party, my ideology, and my people, with whom I have a close relationship. But here, in this not too attractive office, I have to make the most momentous decisions alone. This is the loneliness of power. During the first months of my government, I spoke to the people from the balcony once a week or once every 2 weeks. Recently, however, we have a very particular situation in Lima. A politician must not become a bureaucrat. A leader cannot turn into a bureaucrat. I cannot resign myself to this.

[Oliva] What would you be if you were not a president?

[Garcia] A presidential hopeful! Well, that is just a joke. I would have been a politician, working in my party, saying and doing things, promoting something. Politics calls for creativity, just like the arts of music or painting, for instance. The problem is that just as a composer can run out of inspiration for long periods of time, a politician can cease to communicate with the people for long periods of time.

[Oliva] What is your most important project for this year?

[Garcia] To decentralize Peru. From here we control every door or window that opens and closes, even in the most remote province from Lima. This is absurd! The country's political administration must be decentralized. It should be stripped of operational and routine obligations, which must be left to the local population. We now have to sign resolutions, decide whether to pen a road, decide when the local population should be thinking about things. I am sure that decentralization will help to form local governments -- like the ones you have in Argentina -- that will have more power because they will have been elected by the people. These local governments, in addition to being closer, form centers in which to air the complaints of the local people and will mobilize the will to participate to a greater extent.

[Oliva] How do you see yourself?

[Garcia] I see myself as a warrior for the independence of America and for social justice.

OIL MINISTER VIEWS RESULTS OF OPEC MEETING

PA141517 Caracas Television Service in Spanish 0000 GMT 13 Aug 86

[Report by Carlos Fernandez]

[Text] Energy and Mines Minister Arturo Hernandez Grisanti held a news conference today in which he summarized the recent decisions adopted by the OPEC in Geneva. He also gave an overview on the effects of those agreements.

In this sense, Minister Grisanti said that basically tactical emergency measures were agreed to at the meeting, and these measures have eased the tension within the OPEC. He stressed that the favorable effects of the measures will depend on their strict compliance and on the commitment of non-OPEC producers.

After summarizing the results of the Geneva meeting, Hernandez Grisanti referred to the effect of these actions in our country, and indeed he was cautiously optimistic. He said that Venezuela's daily production had to be adjusted based on the OPEC's recent decisions and Venezuela's sustained average to 3 August of this year. The actual reduction will be 6,000 barrels per day, bringing the yearly production to 1,586,000 barrels per day.

Minister Hernandez Grisanti was extremely cautious regarding prices. He said that Venezuela's average price was \$14 per barrel to July of this year, adding that the situation could change favorably, in which case the prices will be adequately increased. Moreover, if the OPEC agreements are respected and prices recover by the end of the year, the situation would be even more encouraging.

[Begin Hernandez Grisanti recording] For the time being, we must try to recover the market. I do believe that if the OPEC decisions are observed, the prices should increase to approximately \$17-\$18 in October and November. [end recording]

The situation will be defined on 6 October at an OPEC meeting. According to Hernandez Grisanti, if the recent agreements are not kept, the special meeting would have to be held earlier.

BRIEFS

STEEL PRODUCTION INCREASING -- For the first time in many years, the Orinoco Iron and Steelworks, SIDOR, has become a profitable company. Not only has it increased its national production, but it also has exported some of its products. SIDOR President Carlos Mendoza noted that the company has been developing new products that have substituted for previously imported products and provided better service to national customers. He added that SIDOR produces between \$200 and \$250 million; this would be the equivalent in foreign exchange of its exports. [Summary] [Caracas Television Service in Spanish 1600 GMT 13 Aug 86 PA]

DE LA MADRID HIGHLIGHTS TALKS WITH REAGAN

FL140154 Mexico City NOTIMEX in Spanish 2317 GMT 12 Aug 86

["Text" of Mexican President Miguel de la Madrid's speech delivered after meeting with President Reagan at the White House on 12 August; place not given]

[Text] Ladies and Gentlemen; First of all, I thank President Reagan for his cordial invitation to this working meeting in Washington. It has been a timely and fruitful meeting because it has brought positive results since we have discussed frankly and thoroughly various matters that both presidents consider of utmost importance for the good understanding in U.S.-Mexican relations.

President Reagan and I agreed to give priority attention to bilateral matters. We were happy to note that this year there have been positive advances and agreements on various economic matters and in border cooperation affairs. We agreed that these progresses need to be underscored.

We have agreed that from now on our government will make extra efforts to improve the atmosphere of our relations. This is an essential condition to facilitate and broaden bilateral cooperation which benefit the two countries.

Today I have confirmed with satisfaction President Reagan's strong will to encourage the development of relations marked by a positive sign between the United States and Mexico.

With this spirit, we have talked about various matters that greatly concern the two governments and, in general, the two countries. Allow me to briefly highlight them.

First, we thoroughly discussed various aspects of financial and trade relations, including the Mexican Government's recent negotiations with international financial organizations -- mainly the IMF -- which have been successful inasmuch as they allow, new, more realistic and flexible terms in dealing with the foreign debt problem. I acknowledge that the U.S. Government -- in a notable effort -- played a useful role in such negotiations, which we appreciate very much.

It is our aim that Mexico achieve sustained economic growth and build an essential foundation to restructure and modernize its economy, maintain the social progress which has been an important factor in the country's long political stability, and widen the capabilities of fulfilling its international financial commitments.

The solution to the foreign debt problem is related to the need for greater financing for development of better foreign trade conditions. Mexico wants to implement a solid foundation of non-oil exports in areas where it has a competitive edge.

We want trade ties between the two countries to develop within the framework of equality, taking into consideration the degree of development of the two economies as well as total conditions of nondiscrimination and absolute nonreciprocity, which should be the foundation of better trade relations.

Both presidents have given instructions for immediate talks to achieve a wide bilateral agreement on trade and other matters. Its contents will be defined by our respective negotiations in the next few months.

President Reagan and I also exchanged ideas on the problems the illegal Mexican workers face in the United States. The problem is a result of structural economic problems of the two economies, and, most certainly, migratory flows will decrease as the Mexican economy improves.

I would also like to refer to a very important topic President Reagan and I discussed. It was a very important part of our talks: the war against drug trafficking. The Mexican Government maintains that international cooperation is needed to deal efficiently with the serious drug smuggling problem. We agreed it is absolutely necessary to attack with great determination all the links of the criminal chain, that is, production, distribution, and consumption.

I have told President Reagan about the importance we give to the campaign started by the U.S. Government to combat the distribution and consumption of drugs in the United States. We will continue to strengthen cooperation between the two governments in order to combat this cancer of modern humankind.

I believe that, as President Reagan has said, this conversation has been particularly satisfactory. It is one more evidence of our strong and loyal friendship which unite our peoples. We can benefit much from a cordial, honorable, and mutually beneficial friendship.

I am very grateful to President Reagan and his aides for the warm hospitality they have shown us.

Finally, I again want to express the appreciation of the people and Government of Mexico for the help and cooperation given to us after last September's earthquakes. Especially Nancy Reagan's warm presence in Mexico during those days of grief.

Tuna Embargo Lifted

PA150353 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 14 Aug 86

[By Alfonso Gomez]

[Excerpts] The United States has agreed to lift the tuna embargo which suspended the importation of Mexican tuna to U.S. markets. [passage omitted] Today Mexico's tuna fishing fleet includes 110 boats with an annual catch of 110,000 tons. As a result of President Miguel de la Madrid's visit to the United States, Mexican tuna will again be exported to U.S. market.

Returns to Mexico City

PA150047 Hamburg DPA in Spanish 0023 GMT 14 Aug 86

[Text] Mexico City, 14 Aug (DPA) -- Mexican President Miguel de la Madrid arrived this afternoon in Mexico after a 2-day visit to the United States. President De la Madrid left on Tuesday for Washington on an official visit to meet with U.S. President Ronald Reagan. The issues they discussed were mainly drug trafficking and Mexico's economic crisis.

According to the Mexican news agency, NOTIMEX, President De la Madrid was met at Mexico City's International Airport by members of his Cabinet and the PRI.

NICARAGUA TO RECEIVE PREFERENTIAL TRADE TREATMENT

FL140321 Mexico City NOTIMEX in Spanish 2343 GMT 13 Aug 86

[Excerpts] Managua, 13 Aug (NOTIMEX) -- Mexico and Nicaragua today signed a preferential treatment trade agreement which will allow the export of non-traditional goods with favorable tariffs.

Nicaraguan trade deputy minister Orlando Solorzano said that with this new preferential treatment agreement trade tariffs will decrease by 75 percent favoring Nicaraguan goods. [passage omitted]

PRI PROTESTS PAN TIES WITH U.S. GOVERNMENT

PA142320 Mexico City XEW Television Network in Spanish 1300 GMT 14 Aug 86

[Text] Some 4,000 PRI members have held a demonstration at the plaza of the Legislative Palace, in front of the Congress building. The demonstration was against the National Action Party [PAN]. During the meeting, the PRI demonstrators requested that PAN's [National Action Party] registration as a political party be withdrawn due to the alliances it has established with the U.S. Government and the U.S. Senate.

The charges against the PAN were made by PRI Federal District leaders Jesus Salazar Toledano and Manuel Osante Lopez. They said that the PAN has tried to sabotage the meeting of Presidents Miguel de la Madrid and Ronald Reagan. In addition, it has conducted actions to destabilize Mexico.

The demonstration, which lasted a little more than 2 hours, began after the Permanent Commission session. Yesterday, the Permanent Commission session began with the participation of the PAN representative Jesus Gonzalez Schmal, who again protested about the elections in Chihuahua. Following his speech, Jesus Gonzalez Schmal left the session.

Senator Celso Delgado then charged the PAN partisans of wishing to submit to foreign judgment affairs that are solely the responsibility of Mexico. The PRI Federal District partisans began the demonstration, following the 4-hour session.

PAN WITHDRAWS FROM CONGRESS COMMISSION MEETINGS

PA140418 Madrid EFE in Spanish 0331 GMT 14 Aug 86

[Text] Mexico City, 13 Aug (EFE) -- The National Action Party (PAN) withdrew today from the two meetings to be held by the Mexican Congress Permanent Commission, in protest over the government's stubborn refusal to recognize the alleged electoral victories of its candidates.

Federal Deputy Jesus Gonzalez, who is a representative of PAN (moderate right) -- the second political force in the country -- on the commission, said that if things continue on this path, they will do the same thing during the upcoming Chamber of Deputies session, which begins 1 September and concludes 31 December.

The Congressional Permanent Commission is comprised of senators and deputies from several parties. It holds sessions from 2 January to 30 August, during which two chambers of congress are in recess.

The PRI, which has been in power since 1929, has a majority on the current commission.

Gonzalez stressed that his party is carefully analyzing the possibility that its 41 deputies will not attend President Miguel de la Madrid's fourth and antepenultimate report to the government, which will be held 1 September, to protest the electoral irregularities which -- in its viewpoint -- took place 5 July in Chihuahua.

The legislator scored the antidemocratic policy of the PRI and the government and reasserted that his party will continue struggling for the recognition of its legitimate rights and political positions that, according to him, the PAN won in Chihuahua.

On July 6, gubernatorial elections were held in Chihuahua, which borders the United States. Fourteen deputies to the local congress and 67 mayors were also elected.

According to the PRI, its candidates won the state governorate, the 14 legislative seats, and 65 of the 67 municipal posts.

Likewise, the PAN noted the PRI was involved in fraud so its candidates could win the election.

In addition, the Socialist People's Party said there is enough evidence to link the PAN with foreign political organizations, particularly from the United States, and its official registration as a party should therefore be immediately cancelled.

COMPARISON OF NORIEGA SOVEREIGNTY SPEECH

Panama City CRITICA in Spanish on 13 August publishes on page 31 the address by Defense Forces Chief General Manuel Antonio Noriega delivered at the sovereignty rally in Panama City on 12 August. The CRITICA report has been compared with the Panama City Domestic Service Spanish version published in the 14 August Latin America DAILY REPORT, page N 3, revealing the following variations:

Page N 3, paragraph one, line four reads... the righteous. God has always been our pride and... providing indistinct words;

Page N 4, paragraph three, lines six and seven, read... return to the times when votes and candidates... rewording and supplying indistinct words;

Page N 4, paragraph three, penultimate and last lines, read... popular masses were silent guests at the... providing indistinct word and deleting article for clarity;

Same page, paragraph five, last line reads... with social justice.

This overwhelming expression of civic duty confirms that the Defense Forces have answered slander and provocation with moderation, prudence, care, and a spirit of Christianity.

We have often repeated that Panama... supplying additional passage and providing indistinct words;

Page N 5, paragraph three, line two reads... [currency not specified]. Another concern of ours regards... rewording, deleting passage;

Page N 5, paragraph five, line two reads... big economic problems. They want unity to create programs to put the unemployed to work, help reduce the cost of living, guarantee better health services and better education, improve general well-being, and implement the labor code. That is why those who spread lies before are now being repudiated to their faces.

Those who used foreigners to discredit Panama see now how those same foreigners are being questioned in their own country because they have disclosed state secrets. They sought to instigate a struggle between bothers, but the Panamanian people instead chose to come to this square and chant in unison: Panama with peace, Panama with freedom, Panama with full sovereignty!

Traditionally, we have... supplying additional paragraph and variant wording;

Page N 5, paragraph seven, last line, reads... believe in them.

We have not chosen the easy path. On the contrary, as Panamanians and men of the people, as military men and members of our glorious Defense Forces, we have chosen a more difficult path in which we struggle so that Panama is respected and so it can be free, sovereign and independent.

In the knowledge that Panama is a land bridge and not an island, and that because of its geopolitical position we feel and think differently, we believe that peace in Central America can be achieved only through dialogue and understanding among the peoples.

So long as this is not the case, Costa Rica and Panama will continue to be victims of the refugee problem, which reflects a struggle for survival and is in fact an escape in search of freedom and well-being. The refugee problem is creating more economic and social problems than those caused by the guerrilla warfare in neighboring countries.

I want to... supplying additional paragraphs;

Page N 5, paragraph eight, last line, through last graf, line one, reads... [chants] I want the foreign correspondents to know that the only exiles or deportees in Panama are backwardness, violence, ignorance, and social injustice.

There are no political prisoners! There is respect and feelings of warmth for foreign minorities. There are no ghettos or racism. There are human rights, but not those understood as the demand and supply to receive or deny credit!

I am going to tell you a secret. President Eric Arturo Delvalle is being questioned regarding the concept of militarism. He is being asked why a military man is chief of the railroads if this is a democracy. However, they refuse to remember that U.S. military men ran that same railroad in the past and that its construction was turned over to Panama by U.S. military men.

When it was the Panama Railroad [preceding word in English] it was a matter of security, but now that it is the National Railroads Directorate this is bad.

And Renare [Department of Renewable Natural Resources] is another case in point. Oh, how the president has been pressured: Why a military man? He is asked. However, the people from Chilibre, Gatun Lake, and Gatuncillo are here today. The zonians used to burn their thatched huts, go after the peasants and shoot at them with Magnums [preceding word in English]. And they called that environmental protection.

That building over there was turned over to us by a U.S. military man. However, today this question is asked: Why a member of the Panama military?

On behalf of the General Staff, officers, noncommissioned officers, and enlisted men of Battalion 2000, which is the symbolic unit of fire and movement toward the year 1999 and has a special responsibility, the new Panama Canal, a special greeting!

To all the people who marched today to express civic pride, their Christian spirit, fraternity, youth, and friendship in a genuine expression of all the Panamanian people without distinctions or complexes -- because the Defense Forces are made up of alumni of West Point, Mexico, Guatemala, Honduras, El Salvador, Colombia, Venezuela, Ecuador, Peru, Brazil, Bolivia, Argentina, Chile, Great Britain, France, Sweden, Germany, Italy, Israel, Korea, Taiwan, and Japan;

To foreign correspondents...supplying variant passage.

COLUMNIST ON 'FORCED' HOMAGE TO NORIEGA

PA141910 Panama City LA PRENSA in Spanish 13 Aug 86 p 1-A

["As of Today" column]

[Text] As had been anticipated, public employees did not work yesterday because they were forced to render homage to General Manuel A. Noriega, an homage similar in purpose and result to ones paid to General Ruben D. Paredes and General Omar Torrijos. Nothing about this matter is new. The organization, transport, and other expenses were directly or indirectly paid by the state. The rhetoric, with slight variations, was the same disorderly mix of nationalist glitter and worship of militarism and populism. The supposed reaffirmation of the sovereignty proposed as the objective of the rally was not the genuine expression of the people's aspiration to unite our territory under the Panamanian flag and jurisdiction. This rally was for the interest of the military to consolidate their domination over the country, because to them sovereignty is an attribute inseparable from the Defense Forces command. The purpose of the rally was only to identify nationalism, the state, the government, the people, and the sovereignty with Gen Noriega and the military forces. They must greatly admire Louis XIV's statement: "I am the state." He was not; this was proven in time. Sooner or later it will happen in Panama.

ABADIA: DELEGATION WILL ATTEND NONALIGNED MEETING

PA142029 Panama City Televisora Nacional in Spanish 0000 GMT 13 Aug 86

[Interview with Foreign Minister Jorge Abadia Arnes by unidentified reporter on 12 August at Cinco de Mayo Plaza in Panama City -- recorded]

[Text] [Reporter] Will Panama attend the nonaligned countries' meeting?

[Abadia] Yes. Panama will attend the meeting. We are going to present a motion, and our delegation will be the largest we have ever sent.

[Reporter] Who will head it?

[Abadia] We cannot say yet. The president has to sign the decree.

[Reporter] Will the president go to the Dominican Republic?

[Abadia] That is correct, sir. The president will go to the Dominican Republic.

GUATEMALAGOVERNMENT TO REESTABLISH UK CONSULAR RELATIONS

PA140340 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 12 Aug 86

[Text] Foreign Minister Mario Quinonez Amezquita today confirmed that the Governments of Guatemala and Great Britain will reestablish consular relations on 18 August.

[Begin recording] [Quinonez] We will establish consular relations. Consuls are not diplomats. Consular relations are not the same as diplomatic relations, they involve only trade relations. For example, the issuance of passports and visas is a duty of consuls, as is processing shipping documents. The duty of diplomats is to represent countries, convey the views of each country with the appropriate authorizations and carry out diplomatic agreements. They are two completely different functions. I wish to state clearly that Guatemala will reestablish consular relations with Great Britain, not diplomatic relations.

[Reporter] Will this take place before 15 August?

[Quinonez] Relations may be reestablished on 18 or 19 August through a joint communique issued by the two countries. We will move forward slowly and carefully. Remember that our balance of payments with Great Britain has always favored Great Britain. We also want to bring some benefits to the country through consular relations; we want them to buy from us. It does not make much sense to establish consular relations to buy from them. We want commercial exchange. While they are here, we hope they will more readily help in resolving our differences over Belize. [end recording]

QUINONEZ REITERATES SUPPORT FOR CONTADORA

PA141934 Guatemala City PRENSA LIBRE in Spanish 12 Aug 86 p 5

[Text] Foreign Minister Mario Quinonez Amezquita said yesterday that Guatemala reiterated its support for the Contadora Group because it is the best political effort to achieve peace and democracy in Central America.

Quinonez held a news conference at the National Palace, where he explained the note he sent to the governments that make up the Contadora and Support Groups. In this note, "Guatemala expressed support for the contents of the document that was presented at the Panama meeting on 6 June."

For this reason, Quinonez added, we are pleased with Contadora's decision to continue its efforts to conduct diplomatic negotiations to reduce tensions in the area.

Guatemala feels that the pending issues which must be mentioned in the document include the commitments regarding weapons and military troops, as well as the mechanisms for evaluation and verification that guarantee the effectiveness of the document.

Guatemala has learned that certain governments rejected the draft document and feels that these positions make a new meeting more urgent to continue the search for peace.

Quinonez Amezquita emphasized that he met in Colombia with new President Barco Vargas and with other chiefs of state of countries that make up the Contadora Group who said that "they are determined to continue with the process so long as the Central Americans are willing to each an agreement."

Regarding the possibility of a Contadora failure due to the stand taken by Honduras, Costa Rica, and El Salvador, the foreign minister said that "Guatemala would deplore it if that happened."

If these countries, he said, do not want the Contadora mediation, we would respect that decision, but we would deplore it.

HONDURAS

COMMUNIQUE WARNS CITIZENS OF 'MANIPULATION'

PA140346 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 12 Aug 86

[Communique issued by the Foreign Affairs Secretariat; date not given]

[Text] The State Secretariat for Foreign Affairs has received reliable information to the effect that a diplomatic mission in Tegucigalpa with a direct interest in the matter has been promoting through various means the adoption by some Hondurans of positions favorable to the suit filed by the Sandinist government with the International Court of Justice against the Republic of Honduras and that agents of the diplomatic mission concerned are engaged in activities to manipulate Honduran opinion into opposing the approval by the sovereign National Congress of the treaty for the delimitation of the maritime boundaries between Honduras and Colombia.

These manipulations are being carried out under the aegis of the unrestrained freedom of the press guaranteed by our country's government and do not exclude the holding of public demonstrations aimed at coercing the sovereign National Congress so it will not approve the aforementioned maritime delimitation treaty.

The Secretariat for Foreign Affairs relays this information to the public so the Honduran people will not allow themselves to be caught unaware by those who are at the service of interests pursued by other states, to the detriment of Honduras' legitimate rights.

[Signed] Directorate of Information and Press

Secretariat for Foreign Affairs

Further Communique

PA140355 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 12 Aug 86

[Press communique issued by the Government and Justice Secretariat in Tegucigalpa on 11 August]

[Text] The State Secretariat for Government and Justice reminds the public that the Constitution of the Republic clearly stipulates the following:

Article 38. Every Honduran is obliged to defend the homeland, to respect the authorities, and to contribute to the nation's moral and physical well-being.

Article 42. The status of citizen is lost: By providing assistance to the detriment of the Honduran state to any foreigner or foreign government in connection with any diplomatic complaint or before an international court.

The foregoing reminder is issued in view of the maneuvers by foreigners and several Hondurans who seek to harm our homeland's interests in connection with the suit filed by Nicaragua's Sandinist government against Honduras at the International Court of Justice.

[Signed] Tegucigalpa, D.C., 11 August 1986

AIR FORCE C-130 CRASHES NEAR NICARAGUAN BORDER

PA150238 Paris AFP in Spanish 0155 GMT 15 Aug 86

[Text] Tegucigalpa 14 Aug (AFP) -- Honduran Air Force sources confirmed tonight that an Air Force C-130, in which 40 or 50 soldiers were traveling to the Mosquitia region, on the Nicaraguan border, has crashed. Meanwhile, a press correspondent in Comayagua, 100 km north of Tegucigalpa, asserted that the plane took off at 0930 today from the Palmerola Air Base near Comayagua, which has become a permanent base of the U.S. forces stationed in Honduras. The source affirmed that the Honduran Air Force learned of the accident at 1430 and immediately dispatched a squadron of planes and helicopters to the crash site.

According to preliminary, unofficial reports, the plane crashed in the jungle area of Mosquitia, between Olancho and Gracias a Dios Departments on the Nicaraguan border. Honduran Air Force sources, who promised to issue a report when details of the accident are ascertained, asserted that the pilot of the plane was Lieutenant Colonel Luis Aguilar. The plane was carrying 40 or 50 soldiers from the 5th Infantry Battalion, headquartered in Mocoron, in Honduras' Mosquitia region.

AZCONA EXPRESSES SUPPORT FOR L.A. PARLIAMENT

PA142243 Tegucigalpa Telvisora Hondurena in Spanish 0200 GMT 12 Aug 86

[Excerpt] [passage omitted] The Latin American presidents who attended the inauguration of the Colombian President Virgilio Barco Vargas met at the assembly hall of the Colombian Congress in Bogota on the night of the ceremony. Each president expressed his desire to participate in the Latin American Parliament. In the presence of the representatives of the legislative branches of the countries represented at the meeting -- Honduras, El Salvador, Costa Rica, Colombia, Uruguay, and Venezuela -- they discussed an initiative that could open up new possibilities for the pacification of the American Continent.

The meeting was attended by Jose Azcona, Jose Napoléon Duarte, Oscar Arias, Julio Maria Sanguinetti, and Jaime Lusinchi, presidents of Honduras, El Salvador, Costa Rica, Uruguay, and Venezuela, respectively, and the outgoing Colombian president, Belisario Betancur.

In his speech, Honduran President Azcona said that Latin America will play a more active role. He added: Now that there are many democracies in the continent, we must make the great dream of America's liberator, Simon Bolivar, come true. He also said that Honduras will be present in the Latin American Parliament with an open mind and will participate in all forums convoked to defend Latin America and the democratic systems.

[Begin Azcona recording] Developed countries have repeatedly said that Latin America does not progress because we Latin Americans have no initiative and because we have often had governments that abused their power, that in some cases were not honest, that [word indistinct] their country's wealth, etc. However, during the past few years we have also been victims of unjust trade conditions imposed on us by the developed countries. The Costa Rican president has [words indistinct] many times. How can the Latin American countries progress if in 1950 it was necessary to export 50 bags of coffee to purchase a vehicle, and today we must export 200 bags? This example is (?applicable) to all Latin American export products. The added value is transferred to the developed and industrialized countries, which force us to purchase their products at high prices while they force us to sell our products at low prices. All this is in addition to the high interest rates we must pay for the credits we have received. This means that today all of our countries are facing difficulties in paying our foreign debts.

Therefore, it is important for Latin America to make itself heard. I totally agree with what has been said here today, and I totally agree that, once and for all, and taking advantage of this occasion and this moment when there are real democracies in the majority of the Latin American countries, we should make a great effort to make Bolivar's dream a reality, at least in part. As I said in my inaugural speech, even though that dream is not possible today, we can unite to solve our common problems. I am the president of one of the weakest countries in Latin America, a country that is weak economically, democratically, and in many other aspects as well. However, the people of my country want to progress, to walk on the democratic path, and to participate in any forum where our presence is required. Therefore, Honduras will be present at the Latin American Parliament with an open mind, and it will also be present at every forum whenever it is necessary to defend Latin America and the democratic systems. [end recording] [passage omitted]

TWO FISHERMEN REPORTEDLY CAPTURED BY EPS

PA150027 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 13 Aug 86

[Excerpts] Two of forty Hondurans fishing for jumbo shrimp in the southern part of the country, in the area known as Torrecillo near the border with Nicaragua, but in Honduras, have allegedly been captured by Sandinist troops. However, the individuals who captured the Hondurans were dressed in civilian clothes. The capture took place during a shootout staged by the Sandinists. [passage omitted]

The incident was reported to the Foreign Ministry yesterday so that pertinent procedures can be carried out against the Nicaraguan Government. It is believed that the two young fishermen are being held at a jail in Potosí. [passage omitted]

NICARAGUAORTEGA NEWS CONFERENCE ON SENATE AID VOTE

PA141724 Managua Domestic Service in Spanish 1530 GMT 14 Aug 86

[News conference by President Daniel Ortega Saavedra at the auditorium of the Information and Press Directorate of the Presidency of the Republic -- live]

[Text] Good morning, Nicaraguan people who are listening through this radio network; good morning, journalists. Last night the U.S. Senate committed another violation of international law. We all know of the previous voting in the lower chamber, in the House of Representatives, in which 221 representatives voted against international juridical order, against law, and 209 representatives voted in favor of the international juridical order, in favor of law.

Last night the voting in the Senate resulted in 53 senators voting against law, and 47 voting in favor of law. We consider this a truly blatant action, because although it is true that the House of Representatives' vote was a violation of the law and of the international juridical order, the International Court of Justice [ICJ] had not yet announced its decision when the House voted. The decision was announced the following day. However, now that the Senate has had to make a decision, it has done so with knowledge of the ICJ ruling, which is known worldwide, a ruling announced by the ICJ over 1 month ago.

Therefore, this is the first action of total rebellion against the highest court of justice in the world. Although it is true that the final step in enacting this act of contempt for the law -- namely the U.S. President's sanctioning of the law -- is still pending, it permits the immediate implementation of the \$100 million in financial aid, forwarding weapons and sending military advisers to help the mercenary forces. This final formality, so to speak, is the only step pending before we face the first actions of total rebellion against the highest international court.

On many occasions the U.S. Government has said that other governments have not accepted the court's jurisdiction and that those governments have refrained from taking a specific dispute to the court. However, such declarations are not consistent, because in reality, when certain cases have been brought before the court, when in face of a given complaint or demand a country has refused to accept the court's jurisdiction, those problems have been resolved in the long run through understanding between the parties involved. An example of this was the case between Pakistan and India, in which a crisis developed at a given moment concerning the court's jurisdiction, but which finally resulted in an agreement between Pakistan and India.

The case between France, Australia, and New Zealand concerning nuclear tests was another case, which finally ended with the suspension of nuclear tests, although the case was not fully aired in the court. We could also mention a case presented to the court by the United States when U.S. citizens were being held as hostages at the U.S. Embassy in Tehran. The liberation of the U.S. citizens occurred while the court was debating the case, and the only pending aspect was indemnification.

So we are really facing the first action of total rebellion before the ICJ. There is no parallel action. The United States has tried to hide its guilt by mentioning some of the cases I have just noted, but, truly, none of these cases can be compared with the U.S. behavior, as it even participated in the initial phase of the process and then withdrew altogether. This action by the U.S. Government is part of a systematic policy which hurts international juridical order and the United Nations.

We, all the countries of the world, have witnessed the behavior of the U.S. Government, which has tried to deprive the United Nations of legitimacy, adopted specific measures against UN organizations, withdrawn from UN organizations, and looked for ways to negatively affect the efforts that have been made so that the countries of the world can have a legal framework for reaching understanding and resolving conflicts. They are trying to destroy this international legal framework to impose the law of the jungle.

The President of the United States still has the opportunity to avoid becoming an international criminal. The moment the U.S. President signs the bill to make it law, he will become an international criminal. However, he has the opportunity not to become an international criminal. He has the opportunity not to damage the image of the U.S. people and nation.

So we wonder: Will the President of the United States sign the law, thus exposing his country to being called an international criminal, or won't he? This is the question we are asking ourselves. In Chicago we made a proposal that we are maintaining. That proposal has to do with the peaceful solution of conflicts, with respect for international law. We want to say we are happy that following our Chicago proposal -- approximately 1 week later, in Colombia, during the inauguration of President Barco -- the Contadora and Lima groups reinitiated the work of this movement to search for peaceful solutions, through dialogues, for the conflict being endured by the Central American countries.

A few days after making the Chicago Proposal we received in Nicaragua the Vatican's representative, with whom we had the opportunity to discuss the situation. We told him we are prepared to reach an understanding with the Vatican and with the Nicaraguan bishops. He told us later -- and we received a letter in this regard from the Episcopal Conference in response -- that both the Nicaraguan Government and the Episcopal Conference accept holding a dialogue. We hope to initiate this dialogue when we return from the Harare summit meeting. We wanted the dialogue to take place immediately. That was our position, but the bishops have explained that some of them are ill and others have to leave. Thus, the meeting with the Nicaraguan bishops will be postponed until next month.

In Guatemala there has been a meeting among the Central American vice presidents. What happened last night is a blow to the dialogue effort being made by the Central American governments. It has been a blow to Contadora, to Latin America, to the Central American governments, to the dialogue we are promoting with the Church. While here we are taking steps in favor of the dialogue, the U.S. response has been to finance the war, to finance death.

We have nothing further to say about this situation. The Nicaraguan position, noted after the vote by the House of Representatives, is already known. There will be no new spectacular measure adopted. However, the Nicaraguan people will now have to be more alert than ever. They must be militarily mobilized and prepared to face the war escalation of the U.S. Government.

It is true that counterrevolutionary and mercenary forces alone have no chance to win; but by having done this, the U.S. Government is setting the basis, the political grounds, for launching a military intervention against Nicaragua. Therefore, we are facing what has been called the Vietnamization of the Central American conflict.

Based on this, we are alerting the international community and issuing this call from Nicaragua to the UN Security Council, the Contadora and Lima groups, all the countries of the world, and the Nonaligned Movement to face this situation that endangers not only the Nicaraguan people and the Nicaraguan revolution but world peace, because with this behavior the U.S. Government is challenging and trying to destroy international law. This is what we wanted to tell you after we learned of the decision made by the U.S. Senate last night.

It must be acknowledged that President Reagan is not promoting a policy that has massive bipartisan support. If we look at the count at the House of Representatives and the Senate, the difference is truly that of a divided Congress. The U.S. Congress is divided. It is true that the U.S. President got a majority of votes, but it was a majority with a very small margin.

For example, the 221 to 209 vote in the House of Representatives was very close. In addition, the 53 to 47 vote was very close. In other words, the difference of 6 votes at the Senate and 12 votes at the House of Representatives are very small margins that show that the U.S. Congress is not giving unanimous support to this warmongering policy, this policy of force, this illegal policy. It also shows that the U.S. people are not supporting this illegal policy and this policy of force. So we trust that the U.S. people will know how to confront this act that violates the laws of their government, which endangers world peace and threatens to shed the blood of North American youths in Central America. Do you have any questions?

[Clayman] Adam Clayman of the APIA news agency. I have two questions: Does the cancellation of your trip to Santo Domingo have anything to do with the Senate's decision yesterday? Second, do you know of any additional measures, diplomatic measures, by the United States? For example, there is the rumor that there are plans to reduce the U.S. mission in Nicaragua to the charge d'affaires level.

[Ortega] We have not cancelled our trip to Santo Domingo. We are still going. Regarding additional measures, surely new measures could be implemented after this. There is talk of a blockade, even a naval blockade, around Nicaragua. This is a step that has been contemplated by U.S. strategists who promote this policy. On other occasions there has been talk about the withdrawal of the U.S. ambassador to our country and reducing representation. But, well, that is still to be seen.

However, what cannot be denied is that there is a new turn in the war that the United States has been promoting against Nicaragua.

[Garcia] Eric Garcia Salinas of ACAN-EFE. We have reports that the government has ordered the withdrawal of European volunteer workers from the war zones. Is this true?

[Ortega] The Nicaraguan Foreign Ministry is drafting a communique in which we are taking every necessary measure so that the international volunteers will not be working in the most dangerous areas. We want to preserve their lives. We want to guarantee their lives.

We have a responsibility as a government, and thus we are going to withdraw these volunteers from the most dangerous areas of highest conflict, and we will relocate them in other areas. We have already held meetings with all government and nongovernment organizations, as well as with the volunteers who are here in our country to draft a relocation plan for those who are in the most dangerous areas.

[Corral] Fausto Corral of Ecuador's HOY newspaper. How will Nicaragua's efforts at the United Nations regarding The Hague Court issue continue? Will you take this matter to the General Assembly?

[Ortega] Nicaragua reserved the right to convoke, in due time, the UN Security Council. What we did was to inform the UN Security Council formally about this situation and report it to the international community. However, in due time Nicaragua can convoke the UN Security Council and the General Assembly.

[Unidentified reporter] Commander Ortega, the new decision of the U.S. Administration revives the topic of Nicaragua's defensive weapons. What is the current stand of the Nicaraguan Government on this?

[Ortega] The Nicaraguan position of obtaining all those weapons needed to defend the country has never been more fair. All our weapons are defensive, and we are facing what is practically a declaration of war from the U.S. Government. All that is left is for the President to sign the law. Therefore, we are facing a declaration of war. Well, thank you.

Envoy Foresees Intervention

PA141316 Managua Radio Sandino in Spanish 1237 GMT 14 Aug 86

[Text] The U.S. Congress has chosen war, Nicaragua has said regarding the Senate's approval of additional aid for the contras. The United States is heading irrevocably toward direct intervention by U.S. troops in Nicaragua and to the Vietnamization of the Central America conflict, Nicaraguan Ambassador to Washington Carlos Tunnerman has said.

The Nicaraguan Embassy last night accused the U.S. Congress of regrettably choosing war over the peaceful settling of disputes between states.

In a communique, the Nicaraguan Embassy said that the Senate's decision to support the Reagan administration's request for aid to the contras represents congressional approval for financing a war against the Nicaraguan people and government. This action shows absolute contempt for international laws and violates the International Court of Justice's ruling of 27 July 1986.

The recent actions approved by the two U.S. congressional houses shows a regrettable preference for war over the peaceful settlement of disputes between states, the communique added.

For his part, Ambassador Carlos Tunnerman said that the United States is heading irrevocably toward direct intervention by its troops in Nicaragua and to the Vietnamization of the Central American conflict.

ORTEGA BEGINS 1-MONTH TRIP TO THREE COUNTRIES

PA150218 Panama City ACAN in Spanish 0136 GMT 15 Aug 86

[Text] Managua, 14 Aug (ACAN-EFE) -- President Daniel Ortega embarked today on a lengthy official trip that will take him to the Dominican Republic, China, and Zimbabwe, according to Sandinist sources.

Commander Ortega's tour will last 1 month, but there was no word as to the dates and length of stay in each country.

In the Dominican Republic he will attend the inauguration of the new head of state Joaquin Balaguer on 16 August. In Zimbabwe, he will participate in the seventh meeting of the Nonaligned Movement, from 26 August to 10 September.

The sources did not explain the reason for the Nicaraguan president's visit to China or how many days he will spend there. Ortega's trip takes place 1 day after the U.S. Senate approved \$100 million in aid for the contras, thus ratifying the decision reached by the House of Representatives on 25 June.

RAMIREZ VIEWS RELATIONS WITH CHURCH, BISHOPS

PA142301 Panama City ACAN in Spanish 2145 GMT 14 Aug 86

[Text] Guatemala, 14 Aug (ACAN-EFE) -- Nicaraguan Vice President Sergio Ramirez Mercado has said that the Catholic Church will not topple the Nicaraguan Government "because there is no conflict" with that institution. Ramirez Mercado, who participated with his Central American counterparts in the installation of the preparatory commission for the "Central American parliament," returned to Managua today.

The Nicaraguan vice president told ACAN-EFE that there is no conflict between the Sandinist regime and the Catholic Church or with religion, "because in Nicaragua there are 400 priests, more than 800 churches that hold masses on Sundays, and there are open-air processions and religious manifestations."

"We have no conflict with the church or religion; we have conflicts with certain bishops who support the counterrevolutionary aggression, and that is another problem" the vice president said. According to Sergio Ramirez, "The problem is not with the bishops but with their political positions, which lean toward the counterrevolution at a time of war such as we are experiencing."

The Sandinist politician said that 86 percent of the Nicaraguan people "are Catholic, and the Church is made up of God's people. Therefore, we cannot be in conflict with the Church, because God's people have the weapons in Nicaragua."

The Sandinist leader recalled that Guatemalan President Jacob Arbenz (1951-1954) "was not toppled because he confronted the church, but because he confronted the United Fruit [company], the State Department (U.S.), and the newly born CIA, and he hesitated to give the people rifles."

"In Nicaragua there are 300,000 Nicaraguans who have rifles in their hands and in this case it is not possible to take the people's power away," Ramirez Mercado said.

Ramirez said: "Criticism does not worry us, but if someone, whether a bishop or not, says that the International Court of Justice [ICJ] decision is prejudiced because it favors Nicaragua, that the counterrevolutionaries have a right to take up arms and receive money from anyone, his opinions are those of a traitor," The ICJ favored Nicaragua in a complaint lodged by that country against the U.S. Government for promoting a "war" against Nicaragua.

"Nicaragua is faced with the problem of treason against a small, poor, weak country," Ramirez added. In Nicaragua "there should be political differences, a pluralist society, and an open exchange of ideas, because that is the only way to succeed." But if during a war "that has already cost us thousands of deaths and dollars, someone says that the aggression is fair, that is another problem." "It is not a problem of opinion, but an act of treason against one's own country," Sergio Ramirez stressed.

The vice president added that the same problem exists with the opposition newspaper LA PRENSA, which has been closed indefinitely the Sandinists. Its owners are aligned with the Reagan administration's policies," he said.

"We would not be bothered by the fact that someone has pro-North American opinions if we were at peace with the United States, but we are in a war situation," Ramirez said. He said that no country experiencing a war tolerates positions that destroy the national unity.

"When Mrs. Thatcher attacked Argentina during the Malvinas war, she seized ships and censored the press," Ramirez said.

FSLN DELEGATION MARKS CASTRO'S BIRTHDAY

PA150300 Managua EL NUEVO DIARIO in Spanish 13 Aug 86 pp 1, 8

[Communique issued by the FSLN National Secretariat, date not given]

[Text] The FSLN National Secretariat reports that:

Given that Comrade Fidel Castro R., president of Cuba and first secretary of the Communist Party of Cuba, will celebrate his birthday, a delegation led by Comrade Lidia Saavedra de Ortega, mother of Sandinist hero Camilo Ortega Saavedra; Captain Julio Cesar Aguilar Ochoa, commander of the Simon Bolivar Battalion for Unconventional Warfare; and Comrade Julio Lopez C., chief of the FSLN International Relations Department, went to Cuba to take Comrade Castro greetings from the FSLN National Directorate, FSLN members, and the Nicaraguan people and government.

FSLN National Secretariat

U.S. SENATE APPROVAL OF AID TO CONTRAS NOTED

FL141137 Havana Radio Progreso Network in Spanish 1100 GMT 14 Aug 86

[Text] By 53 votes in favor and 47 against, the U.S. senate has approved the Reagan Administration's request to give \$100 million in aid to the Nicaraguan counterrevolutionaries.

While President Ronald Reagan called the Senate's decision wise, Senator Tom Harkin said the approval of those funds to the counterrevolutionaries opens the road to U.S. armed intervention in Nicaragua.

Vote Marks 'New Stage'

FL141811 Havana Television Service in Spanish 1700 GMT 14 Aug 86

[Text] The U.S. Senate approval of \$100 million in aid to the Nicaraguan counterrevolutionary bands operating in Nicaragua is an official recognition and acceptance of the aggressive military maneuvers practiced against the Sandinist revolution by the Reagan Administration.

With 53 votes in favor and 47 against, after 3 days of debate, the Senate approved the large sum to finance and provide logistical support to Somozist forces.

In addition, the measure includes the concession of \$300 million to other U.S. allies in Central America: Honduras, El Salvador, Costa Rica, and Guatemala.

In the opinion of several observers, that decision begins a new stage in the U.S. policy of interference in the area, especially in Nicaragua. The measure demonstrates the desperate interest of the U.S. Government in destabilizing the Sandinist revolution based on Reagan's ridiculous arguments of the so-called danger that Managua could create for regional security and the United States.

During the past few months the White House has carried out a strong pressure campaign which concluded last night with the approval of the \$100 million requested by Reagan.

On 1 September Reagan's proteges -- responsible for the deaths of hundreds of Nicaraguan children, elderly people, women, and men -- will receive the first \$40 million, which will initiate a higher level in the already long chain of U.S. aggressions against Sandino's fatherland.

Contadora Stance Noted

FL141605 Havana Radio Reloj Network in Spanish 1423 GMT 14 Aug 86

[Text] The Contadora Group is in the process of internal revision and is analyzing the strategy to neutralize the Nicaraguan counterrevolution and assure peace, contrary to the theories presented by the U.S. Government.

Analysts say this new alternative was discussed by the foreign ministers and leaders present in Colombia during President Virgilio Barco's inauguration.

The purpose of the new Contadora strategy is to confront the official U.S. action supporting and financing the Nicaraguan counterrevolution which, according to Washington, should be viewed as an eventual solution in Central America.

The decision made last night by the U.S. Senate to approve Reagan's request for \$100 million in military aid to the Nicaraguan counterrevolution reveals a policy recognizing those bands.

LAWYERS SUPPORT ICJ DECISION AGAINST U.S.

FL141528 Havana Radio Reloj Network in Spanish 1416 GMT 14 Aug 86

[Text] The National Union of Cuban Lawyers has issued a declaration congratulating and applauding the just decision made by the International Court of Justice [ICJ] on 27 June 1986 in response to the Nicaraguan demand made in April 1984 against the United States.

The Sandinist government requested the ICJ declare the United States responsible for the aggressions committed in recent years against the Nicaraguan revolution.

The sentence given by The Hague Tribunal, the highest judicial organ of the United Nations, can be called historic.

The Union calls on all progressive lawyers of the world, particularly those in America, to give extensive recognition to the court's decision to ensure its enforcement so the United States will follow the norms of international law.

MEXICO'S PRESIDENT REJECTS U.S. 'INTERVENTION'

PA150055 Havana International Service in Spanish 2300 GMT 13 Aug 86

[Text] Mexican President Miguel de la Madrid has said in Washington that his government firmly rejects any U.S. intervention in Mexican internal affairs. In a meeting with U.S. Senator Dennis DeConcini, De la Madrid said that he was not willing to discuss Mexican election results with any U.S. politician.

One month ago Senator DeConcini handed the Senate a draft resolution in which he accused the Mexican Government of fraud in the 6 July Chihuahua state elections; in the draft he asked that the elections be annulled.

Mexican President Miguel de la Madrid said that DeConcini's information on the actual Mexican situation was not correct, and the National Action Party, which the U.S. Senator supports, is an opposition political organization that is always seeking support from the United States.

VIERA ON SOUTH AFRICAN AGGRESSION AGAINST ANGOLA

FL141258 Havana Radio Progreso Network in Spanish 1100 GMT 14 Aug 86

[Text] Jose Viera, first vice minister of foreign relations, has affirmed in Havana that the recent South African aggressions against Angola are a demonstration of an adventurist policy and U.S. alliance with the apartheid racist regime.

Viera said that the Nonaligned Movement will demonstrate at the upcoming summit in Zimbabwe that the times of racism and apartheid have ended.

NONALIGNED MOVEMENT SUPPORT FOR C.A. NOTED

PA140446 Havana International Service in Spanish 2300 GMT 10 Aug 86

["Our America" commentary]

[Text] It has been 25 years since the first Nonaligned Movement summit meeting. In these 25 years, the movement has seen the Latin American presence within the organization grow noticeably. Today, 15 nations of the region enjoy the status of full members of the Nonaligned Movement, and 10 others participate as observers. The Puerto Rican Socialist Party, as a national liberation movement, is also an observer within the movement. The growing participation of Latin America and the Caribbean within the ranks of the nonaligned corresponds with the support that the movement has been increasingly offering to the better causes of the peoples of our America.

The Nonaligned Movement has always supported Cuba in the face of the aggressions to which it has been subjected by U.S. imperialism. The movement has also demanded that Washington put an end to the criminal economic blockade it has imposed on the island and return to Cuban sovereignty the land on which the Guantanamo Naval Base is located. The movement has also supported the Puerto Rican people's struggle for its independence and has demanded an end to the colonial presence in Guadeloupe, Martinique, and French Guiana, French territories in the Caribbean.

The movement also condemns the permanent U.S. aggression against Nicaragua and had demanded that the Nicaraguan people be allowed to build the society they feel meets their wishes and interests. At the same time it has spoken out against the United States' open intervention in El Salvador and supports their emancipation struggle. The Nonaligned Movement also supports the anti-fascist struggle of the Chilean people, Bolivia's just aspiration for a sea outlet, and, also Argentina's claim to the Malvinas Islands.

The Nonaligned Movement has also been a staunch supporter and promoter of international solidarity for the people and government of Panama in its struggle to rescue its sovereignty over its national territory and today is demanding the United States respect the 1977 Canal Treaties. At the ministerial meeting held in New Delhi in April, the Nonaligned Movement condemned foreign intervention in Haiti's domestic matters and demanded that its people be allowed to freely choose their economic and political system.

The movement's foreign ministers said the Third World's foreign debt was unbearable under the current situation, described the IMF's policies as inadequate, and urged a just and equitable new world economic order.

At the end of this month, the eighth Nonaligned Movement summit will begin in Harare, Zimbabwe. The Latin American and Caribbean representation will be larger than ever, and the movement's solidarity with the causes of the peoples of our America will be strengthened.

GDR DEPUTY CHAIRMAN ARRIVES IN HAVANA

FL141241 Havana Radio Progreso Network in Spanish 1100 GMT 14 Aug 86

[Text] Dr Manfred Gerlach, deputy chairman of the GDR Council of State, has arrived in Havana on his way to other Latin American countries.

Dr Gerlach, who is also chairman of the Liberal Democratic Party of Germany, was met in Havana by Elia Garcia Patino, chairman of the Parliamentary Friendship Groups of the National Assembly of the People's Government.

POLITBURO MEMBER PRESIDES OVER CEREMONY

FL142334 Havana Radio Rebelde Network in Spanish 2300 GMT 14 Aug 86

[Text] Esteban Lazo, Politburo member and party first secretary in Santiago de Cuba province, today presided over a ceremony where the people of Palma Soriano presented their productive and social commitments in salute to the 30th anniversary of the Santiago de Cuba armed uprising.

During his closing speech, Lazo reasserted that the province will fulfill its production and defense goals.

LOSSES IN VARIOUS MINISTRIES DETAILED

FL150130 Havana Television Service in Spanish 0000 GMT 15 Aug 86

[Excerpt] As of 30 June, the country has lost 70 million pesos due to factors directly affecting profits. The main causes range from theft to pending bills which have been cancelled by some companies. Some of the main causes of this situation are lack of control, lack of demands, and irresponsibility.

Among those reflecting the greatest losses are the Ministry of Construction, 32 million pesos; Ministry of Industry, 20 million pesos; Ministry of Agriculture, 8 million; and the Ministry of the Steelworking Industry [SIME], over 6 million pesos. A portion of the losses is inevitable because of damaged or deteriorated goods. The losses that our economy suffers for unjustified reasons are very high.

For example, in 1985 the SIME Cuban-Soviet Friendship Motor Repair Company registered 5,442,600 pesos in direct losses. [passage omitted]

CDB, FAO AGREE TO PROMOTE COOPERATION

FL142155 Bridgetown CANA in English 2130 GMT 14 Aug 86

[Text] Bridgetown, Barbados, Aug 14, CANA -- The Caribbean Development Bank (CDB) and the UN Food and Agriculture Organisation (FAO) today signed a letter of understanding, expected to lead to increased co-operation in technical co-operation.

FAO Director General Edouard Saouma said the organisation would be able to assist the bank in developing expertise in identification and appraisal of projects for agriculture and fisheries. The CDB has collaborated with the FAO informally since the bank was established in 1970. Saouma said the FAO looked forward to co-operating with the bank and was ready to act.

CDB President William Demas said: We are of the view that, in the agricultural sector, there are mutual benefits to be derived by our institutions through joint approaches in such areas as project identification, preparation, appraisal and implementation as well as sector studies, policy planning and information exchange. Demas said the bank was very concerned over the problems of the small farmers.

We recognise that they have played, and continue to play, a significant role in both domestic and export agriculture and provide most, if not all, of the food that is locally produced, he added. For this reason, it is our view that both of our institutions can find some common ground for collaboration to support the growth and development of the small farm sector.

JAMAICAPANEL TO INVESTIGATE ELECTION IRREGULARITIES

FL142113 Bridgetown CANA in English 1503 GMT 13 Aug 86

[Text] Kingston, Jamaica, Aug 13, CANA -- The Jamaica Government has set up an independent inquiry into reports of voting irregularities and administrative weakness during the July 29 municipal elections, swept by the Opposition People's National Party (PNP). It will make recommendations for the strengthening of the electoral system.

Prime Minister Edward Seaga announced last night that the commission will be headed by a former chief justice, Sir Herbert Duffus. It includes a former solicitor general, Ewart Forrest and a former permanent secretary in the National Security and Justice Ministry, Donald Rainford. No announcement was made on when the commission will begin its work.

There were pockets of violence on election day and reports of open voting, electoral and party officials being chased from polling stations and theft of ballot boxes. The problems were mainly in a few traditionally volatile political areas in the capital, the parish of St Catherine, west of Kingston, and Clarendon, south central Jamaica.

PNP leader Michael Manley said this week that both his party and Seaga's Jamaica Labour Party (JLP) had the capacity to solve the problems of electoral malpractices. Manley warned that if action was not taken now, it could become impossible to really know what are the true decisions of the Jamaica electorate. Elections here are overseen by an independent electoral advisory committee with members from the two major political parties and independents appointed by the governor general.

According to Seaga, the terms of reference of the commission were to enquire into allegations of misconduct, irregularities, malpractices and weaknesses in the conduct of the election. It is to make recommendations for improvements in the electoral system to ensure its strengthening and integrity. Seaga said that establishment of the electoral committee had gone a long way in improving the selection of electoral officers and functionaries.

It is, therefore, all the more necessary to ensure that the administration of the conduct of elections, including such matters as protection of ballot boxes, security arrangements at polling stations and communication in the field on election day do not fall short of what the nation is entitled to expect, the prime minister said.

HUNGARIAN CREDIT LINE PERMITS RANGE OF IMPORTS

FL142121 Bridgetown CANA in English 1431 GMT 13 Aug 86

[Text] Kingston, Jamaica, Aug 13, CANA -- Jamaica will benefit from a U.S. 22 million dollar line of credit from Hungary, the first such arrangement with an Eastern Bloc nation. The money will go toward the purchase of goods from Hungary and is being administered by the local Export-Import (EXIM) Bank, the Central Bank announced.

It said that line of credit is opened to both the public and private sectors and will allow for the import of a wide range of capital goods, raw materials, spares and consumer items. Agricultural equipment and fabricated construction materials of iron, steel and aluminium are among the products eligible under the arrangement.

The EXIM Bank said the loans under the scheme will attract an annual interest of 7.75 per cent for consumer goods and 8.5 per cent for capital goods. Both will attract a two per cent service charge by the bank. There will also be a one per cent charge for service and commitment fee. Repayment period is subject to negotiation. An EXIM Bank credit official said this was the first major line of credit between Jamaica and an East Bloc nation, although trading already exists.

Business analysts say that East Bloc credits might be attractive to foreign exchange-short Jamaica because of their relatively soft terms compared to commercial and other arrangements.